



**131th Annual Report And Accounts
For The Year Ended 31st March, 2017**

MANABARRIE TEA COMPANY LIMITED

MANABARRIE TEA COMPANY LIMITED

Board of Directors

Sri Sanjay Agarwal	Managing Director
Sri Nitai Charan Biswas	(Non-Executive)
Sri Paritosh Kumar Tarafder	(Non-Executive)
Sri Chandra Kumar Chandak	(Independent-Non-Executive)
Sri Sayak Majumdar	(Independent-Non-Executive)
Sri Partha Chakraborty	(Independent-Non-Executive)
Miss Stuti Dubey	(Independent-Non-Executive)

Chief Financial Office

Sri Sravan Kumar Kothari

Company Secretary

Punam Kumari Sharma

Banker

UCO Bank
2, India Exchange Place
Kolkata - 700001

Auditors

B. Kumar & Company
Chartered Accountants
6A, Clive Row, 2nd Floor
Kolkata - 700 001

Registered Office

28/1, Shakespeare Sarani
Kolkata - 700 017

Garden

1. Kacharigaon Tea Estate
P. O. Rangapara - 784505
Dist. Sonitpur, Assam
 2. Topia Tea Estate
P. O. Naharbari - 784182
Dist. Sonitpur, Assam.
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MANABARRIE TEA COMPANY LIMITED

DIRECTORS' REPORT

Dear Members

The Directors have pleasure in presenting before you the 131st Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2017.

FINANCIAL SUMMARY

The Company's financial performance for the year under review along with previous financial year figures are given hereunder:

PARTICULARS :	Rs. in Lakhs	
	2016-2017	2015-2016
Sales	2174.67	2017.76
Profit Before Interest and Depreciation	153.90	12.49
Less : Finance Charges	201.17	162.50
Profit Before Depreciation	(47.27)	(150.01)
Less: Depreciation and amortisation	93.34	68.97
Profit before Exceptional Items and Tax	(140.61)	(218.98)
Less/ (Add): Exceptional items	0.00	0.00
Profit before tax	(140.61)	(218.98)
Less: Tax expense	0.00	0.00
Profit for the Year	(140.61)	(218.98)
Add: Balance as per last financial statements	(853.73)	(634.94)
Profit available for appropriations	(994.34)	(853.92)
Appropriations:		
Less: provision for diminution of value of investments written back	0.00	0.20
Total	0.00	0.20
Balance carried forward to Balance Sheet	(994.34)	(853.72)

PERFORMANCE:

Total production of tea during the year under review is 1475814 Kgs (Own 831151 kgs and bought 644663 kgs) as compared to 1362857 Kgs (Own 688577 kgs and bought 674280 kgs) during the previous year. Total Production of tea has been increased mainly due to increase of own production of tea. The average sales price realization was Rs. 149.26 per kg as compared to Rs. 155.96 per kg in the previous year. Sales Price realization was lower due to unfavorable market condition and less demands of Indian Teas by importing countries.

Your company is constantly uprooting and replanting certain percentage of old age tea bushes, which occupying vast tracts of fields and contain below the optimum productive level of Tea bush population. It would be in process replaced by higher bush population using quality as well as modern high yielding clonal material. This being a step towards improving land productivity. In its endeavor to increase the bush productivity and enrich the land that has been under cultivation for more than a century. Your company has invested considerable amount by way of application of soil amends, organic fertilizers, land

MANABARRIE TEA COMPANY LIMITED

cultivation, irrigation and drainage improvements which would give continued and sustained results to the field in years to come, in the form of increased yields. Continuous process of upgrading and replacing of old machineries by new one has been undertaken in the area of power generation, quality control and sorting to increase the production as well as improvement of the end product. All efforts are being made to increase in crop and improvement in efficiency parameters all-around of existing resources which will directly result in lowering cost of production and improving profitability.

DIVIDEND

In view of losses, your Directors do not recommend the payment of dividend during the year.

TRANSFER TO RESERVES

In views of the losses incurred by the Company this year, no amount has been transferred to the General Reserves.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There was no change in the nature of Business of the Company during the financial year ended 31st March, 2017.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Paritosh Kumar Tarafder, Director of the Company will retire by rotation at the forth coming Annual General Meeting and being eligible, offered himself for re-appointment. The Board recommends his re-appointment.

None of the Directors of the Company is disqualified for being appointed/reappointed as Directors, as specified in Section 164(2) of the Companies Act, 2013.

BOARD EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, board committees and individual Directors pursuant to the provisions of the Companies Act, 2013 and the corporate governance requirements as prescribed by the SEBI (Listing Obligation and Disclosures requirements) Regulations 2015.

The performance of the Board was evaluated by the board after seeking inputs from all the directors on the basis of the criteria such as the board composition and structure, effectiveness of board process, information and functioning etc.

The Board was of the view that the performance of the Board as a whole was adequate and fulfilled the parameters stipulated in the evaluation framework in its pro-growth activity and facing challenging operational, climatic and economic adversities during the year. The Board also ensured that the Committee functioned adequately and independently in terms of the requirements of the Companies Act, 2013 and the corporate governance requirements as prescribed by the SEBI (Listing Obligation and Disclosures requirements) Regulations 2015. Further the individual Directors fulfilled their applicable responsibilities and duties laid down by the Companies Act, 2013 and the SEBI (Listing Obligation and Disclosures requirements) Regulations 2015, and at the same time contributed with their valuable knowledge, experience and expertise to grab the opportunity and counter the adverse challenges faced by the Company during the year.

BOARD MEETINGS

The Board met 9 times during the financial year ended 31st March, 2017, the details of which are given in the Corporate Governance Report, forming part of this report. The maximum interval between any two meetings did not exceed 120 days, as prescribed under section 173 of the Companies Act, 2013.

MANABARRIE TEA COMPANY LIMITED

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 that he/she meet with the criteria of their Independence laid down in Section 149(6) of the Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS

The particulars of loans, guarantee or investments made under Section 186 of the Companies Act, 2013 are furnished in the Notes to the Financial Statements for the year ended 31st March, 2017.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTY

A Related Party Policy has been devised by the Board of Directors for determining the materiality of transactions with related parties and dealing with them. The Audit Committee reviews all related party transaction quarterly.

Further the members may note that the Company has not entered into the following kinds of related party transactions:

- Contracts/arrangements/transactions which are not at arm's length basis.
- Any Material contracts/arrangements/transactions.

EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS

No material changes and commitments affecting financial position of the Company between 31st March and the date of Boards' Report has taken place.

ENERGY, TECHNOLOGY & FOREIGN EXCHANGE

Information in accordance with the provisions of Section 134(3) (m) of the Companies Act 2013, read with rule 8 of the Companies (Accounts) Rules 2014, regarding conservation of energy, technology absorption and foreign exchange earnings and outgo is annexed as **Annexure I**.

VIGIL MECHANISM

A Vigil Mechanism/Whistle Blower Policy has been formulated for Directors and Employees of the Company and has been furnished in the Corporate Governance Report forming a part of this report.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has an adequate internal control procedures, which are well supplemented by surveillance of Internal Auditors. The details in respect of internal financial control and their adequacy are included in management discussion and analysis report, forming part of this report.

LISTING WITH STOCK EXCHANGE

Your company is listed with The Calcutta Stock Exchange Limited and has paid listing fees for the financial year 2017-18.

AUDIT COMMITTEE

The details pertaining to composition of an Audit Committee are included in the Corporate Governance Report, which forms part of this report. There have been no instances where the Board has not accepted the recommendations of the Audit Committee.

MANABARRIE TEA COMPANY LIMITED

CORPORATE SOCIAL RESPONSIBILITY (CSR)

In pursuance of Section 135(1) of the Companies Act, 2013, Corporate Social Responsibility (CSR) is not applicable to the Company.

NOMINATION AND REMUNERATION POLICY

The Company follows a policy on remuneration of Directors and Senior Management Employees. The policy is approved by the Nomination and Remuneration Committee and the Board.

Non-Executive Directors

A Non-Executive Director shall be entitled to sitting fees for participation of the Board or Committee of the Board attended by him as such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies Managerial Remuneration Rule, 2014.

Executive Directors

The Company shall pay remuneration by way of salary, perquisites and allowances (fixed component) and commission (variable component) to Managing and Whole-time Directors. Salary shall be paid within the range approved by the Shareholder's and as per section 197 read with schedule V of the Companies Act, 2013.

If, in any financial year, the Company has no profit or its profit are inadequate, the Company shall pay remuneration to its Managing and Whole-time Director in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, then with the previous approval of the Central Government.

Increments to the Managing and Whole Time Director(s) should be within the slabs approved by the Shareholders and as per the Agreement with the Company.

Other Key Managerial Personnel Excluding Executive Directors

The KMP, Senior Management Personnel and other employees of the Company shall be paid monthly remuneration as per the Company's HR policies and/or as may be approved by the Committee. The breakup of the pay scale and quantum of perquisites including employer's contribution to P.F, pension scheme, medical expenses, etc. shall be as per Company's HR policies.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements as stipulated under the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015. A separate section on corporate governance, along with a certificate from the Practicing Company Secretary, confirming the compliance, is annexed and forms part of this report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134 of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed:

MANABARRIE TEA COMPANY LIMITED

- a) That in the preparation of the annual accounts for the financial year ended 31st March, 2017, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were responsible and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) That the Directors have prepared the accounts for the financial year ended 31st March, 2017, on 'a going concern' basis.
- e) That the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f) That the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

EXTRACT OF ANNUAL RETURN:

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 is annexed as **Annexure II**.

AUDITORS:

M/s B. Kumar & Co, Chartered Accountants Statutory Auditors of the Company will retire at the forthcoming Annual General Meeting. M/s Dhandhanias & Associates, Chartered Accountants, have given their consent to be appointed as Statutory Auditors of the Company. Being eligible, the Board recommends the appointment of M/s Dhandhanias & Associates as the Statutory Auditors of the Company for a period of 5 years.

Further, the report of the Statutory Auditors alongwith notes to Schedules is enclosed to this report, which does not contain any qualification, reservation or adverse remarks.

COST AUDIT

As per directives of the Central Government and in pursuance to the provisions of Section 148 of the Companies Act, 2013 read with rules framed there under, the Company is not required to carry out an audit of cost accounts.

SECRETARIAL AUDIT:

In terms of Section 204 of the Companies Act 2013, and Rules made there under, M/s S. M. Kothari & Co., Company Secretaries was appointed as Secretarial Auditor of the Company for the financial years 2015-16 to 2017-18. The report of the Secretarial Auditors is enclosed as **Annexure III** to this report.

MANABARRIE TEA COMPANY LIMITED

The Secretarial Auditors commented on delay in filing of form MGT-14 to the Registrar of Companies (ROC) during the f.y. ended 31st March, 2017, in reply, the Board Comment that there was inadvertently delay in filing of form MGT-14 to ROC, which the Board is now looking forward for strictly filing the forms to the ROC without any delay.

DEPOSIT COVERED UNDER CHAPTER V OF THE ACT

Your Company has not accepted any deposits from public in terms of Section 71 of the Companies Act, 2013.

SUBSIDIARY COMPANIES, JOINT VENTURE AND ASSOCIATES

The Company does not have any Subsidiary Company, Joint venture and Associates during the financial year 2016-17.

RATIO OF REMUNERATION TO EACH DIRECTOR

Details of Ratio of Remuneration to each Director to the median employee's remuneration is annexed as **Annexure IV**.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There was no significant and material order passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

RISK & MITIGATING STEPS

The Company has identified various risks faced by the Company from different areas. As required, under Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board has adopted a risk management policy whereby a proper framework is set up. Appropriate structures are present so that risks are inherently monitored and controlled. A combination of policies and procedures attempts to counter risk as and when they evolve.

ENVIRONMENT AND SAFETY

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires the conduct of all operations in such manner so as to ensure safety of all concerned, compliance of statutory and industrial requirements for environment protection and conservation of natural resources to the extent possible.

The Company has also obtained certification under ISO 14001:2004 for its Environmental Management Systems.

EMPLOYEE RELATIONS

The Company has a large work force employed on tea estates. The welfare and well-being of the workers are monitored closely. Harmonious relations with its employees is being maintained.

POLICY ON PREVENTION OF SEXUAL HARASSMENT:

The Company has adopted policy on prevention of Sexual Harassment of Women at workplace in accordance with the Sexual Harassment of Women at workplace (prevention, prohibition and redressal) Act, 2013.

During the financial year ended 31st March, 2017, the Company has not received any complaint pertaining to sexual harassment.

MANABARRIE TEA COMPANY LIMITED

APPRECIATION

Your Directors would like to express their grateful appreciation for the assistance extended by the Banks, Government Authorities, Dealers, Customers and Shareholders and to all others who continue to give their valued assistance to the Company.

Place : Kolkata

Dated : 30.05.2017

For and on behalf of the Board of Directors

Sanjay Agarwal
Managing Director
(Din : 00959842)

Nitin Charan Biswas
Director
(Din : 00792563)

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO PURSUANT TO SECTION 134(3) (M) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF COMPANIES (ACCOUNTS) RULE, 2014.

(A) CONSERVATION OF ENERGY

The Company constantly strives very consciously to conserve energy. It is a major area of focus as improved energy efficiency not only has an impact on the business but also on the environment, various initiatives have been put in place since the last few years towards this end, which are still continuing, besides, innovative means are constantly being explored. The main focus of energy conservation has been our reducing energy costs and minimising the impact of the environment.

Some activities/ initiatives which are an ongoing process are listed below:-

- Phased replacement of conventional lighting which energy efficient LED bulbs in various areas.
- Gradual Phasing out of old motors with energy efficient motors, E-2.
- Systematic replacement of old withering tough aluminium fans & motors with lighter fans & smaller motors thereby reducing electronical load.
- Replacement of old machineries with power saving devices like smaller motors, auto- controls, MCBs, tripping devices etc.
- Upgradation of automatic power factor control equipment to optimise power factor to the 0.95 standard get by state electricity Board.
- Improved monitoring of energy consumption by constant metering and monitoring a day to day basis.
- Setting up of internal targets of energy performance
- Obtaining trustea certification which encompasses besides many other issues, the prime areas of health, hygiene & environmental control by which wastages in all the forms are being reduced & taken care of by involving all residents in this effort by the way of counselling & practice.

(B) TECHNOLOGY ABSORPTION, ADAPTION & INNOVATION

The Company constantly adopts the latest in technologies for improving the productivity and quality of its products. Regular phasing out of obsolete machinery with modernised equipment is in itself a step towards technology absorption. The company's operations do not require significant import of technology.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

The Total exchange earnings during the year was NIL and the Foreign Exchange Outgo during the year in terms of actual outflow was Rs. 13.24 Lacs.

Registered Office :
28/1, Shakespeare Sarani
Kolkata - 700 017

Dated : 30.05.2017

For and on behalf of the Board
Sanjay Agarwal
Managing Director
(Din : 00959842)

Nitai Charan Biswas
Director
(Din : 00792563)

MANABARRIE TEA COMPANY LIMITED

Annexure - II

Form No. MGT-9
EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2017
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i) CIN:-L01132WB1885PLC000505
- ii) Registration Date: 03.01.1885
- iii) Name of the Company: Manabarrie Tea Co. Ltd.
- iv) Category / Sub-Category of the Company: Public Company
- v) Address of the Registered office and contact details:
Add: 28/1, Shakespeare Sarani, Kolkata - 700 017
Telephone with STD- (033) 22872373
Fax Number - (033) 22871371
Email Address - winsome@cal2.vsnl.net.in
- vi) Whether listed company: Yes
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any: M/s ABS Consultant Pvt. Ltd.
Add: Stephen House, 6th Floor, R.N. 99, 4, B.B.D. Bag (East), Kolkata - 700 001
Telephone with STD -(033) 22301043
Fax Number - (033) 22430153
Email Address - absconsultant@vsnl.net

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated :-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Cultivation, manufacture and Sale of Tea	10791	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S. NO	NAME AND ADDRESS OF THE COMPANY	CIN	HOLDING/ SUBSIDIARY / ASSOCIATE	% of shares held	Applicable Section
	Nil	-	-	-	-

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

- i) Category-wise Share Holding

MANABARRIE TEA COMPANY LIMITED

Category of shareholders	No. of shares held at the beginning of the year (01.04.2016)				No. of shares at the end of the year (31.03.2017)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(a) Individual / HUF	56275	100	56375	11.74	56275	100	56375	11.74	0.00
(b) Central Govt.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(c) State Govt.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(d) Bodies Corp.	279125	2200	281325	58.61	279125	2200	281325	58.61	0.00
(e) FI / Banks	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(f) Any Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub Total (A)(1):	335400	2300	337700	70.35	335400	2300	337700	70.35	0.00
(2) Foreign									
(a) NRIs- Individuals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(b) Other- Individuals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(c) Bodies Corp.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(d) Banks/FI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(e) Any Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub Total (A)(2):	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Shareholding of Prom & Prom Gr. (A)=(A)(1)+(A)(2)	335400	2300	337700	70.35	335400	2300	337700	70.35	0.00
B. Public Shareholding									
(1) Institutions									
(a) Mutual Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(b) FI/Banks	0.00	1050	1050	0.22	0.00	1050	1050	0.22	0.00
(c) Central Govt.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(d) State Govt.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(e) Venture Capital Fund	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(f) Insurance Companies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

MANABARRIE TEA COMPANY LIMITED

(g) FII	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(h) Foreign Venture Capital Investors	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(i) Others	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub Total (B)(1):	0.00	1050	1050	0.22	0.00	1050	1050	0.22	0.00
(2) Non- Institutions									
(a) Bodies Corporate									
(1) Indian	0.00	10000	10000	2.08	0.00	10000	10000	2.08	0.00
(2) Overseas	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(b) Individual									
(1) Individual Shareholders holding nominal share capital upto Rs.1 Lac	200	131050	131250	27.34	200	131050	131250	27.34	0.00
(2) Individual Shareholders holding nominal share capital in excess of Rs. 1 Lac.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(c) others									
(1) Trusts	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(2) Non Resident Indians	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(3) Clearing Members	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(4) HUF	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub Total (B)(2):	200	141050	141250	29.43	200	141050	141250	29.43	0.00
Total Public Shareholdings (b)=(B)(1)+(B)(2)	200	142100	142300	29.65	200	142100	142300	29.65	0.00
C. Shares held by Custodian for GDR & ADR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
GRAND TOTAL (A+B+C)	144400	335600	480000	100.00	144400	335600	480000	100.00	0.00

MANABARRIE TEA COMPANY LIMITED

(ii) Shareholding of Promoters

S.No.	Shareholder's Name	Share holding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares pledged/ encumbered to total shares	
1	Pushpa Bagrodia	27150	5.66	0.00	27150	5.66	0.00	0.00
2	Santosh Bagrodia	15600	3.25	0.00	15600	3.25	0.00	0.00
3	Mukul Agarwal	8000	1.67	0.00	8000	1.67	0.00	0.00
4	Puneet Bagrodia	25	0.01	0.00	25	0.01	0.00	0.00
5	Santosh Kr. Puneet Bagrodia HUF	5500	1.15	0.00	5500	1.15	0.00	0.00
6	Mahabir Prasad Bagrodia	100	0.02	0.00	100	0.02	0.00	0.00
7	Winsome Holdings & Investments Ltd.	172000	35.83	0.00	172000	35.83	0.00	0.00
8	Swift Builders Ltd.	84500	17.60	0.00	84500	17.60	0.00	0.00
9	Crickxon Trade & Exports Pvt. Ltd.	24825	5.17	0.00	24825	5.17	0.00	0.00
	Total	337700	70.35	0.00	337700	70.35	0.00	0.00

(iii) Change in Promoters' Shareholding

There has been no change in the shareholdings of Promoter group of the Company during the year.

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) :

Sl. No	for Each of the top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding	
		No. of shares	% of totla shares of the co.	No. of shares	% of the shares of the Co.
1.	Bhola Ram Agarwal (HUF)}				
	At the beginning of the year	9000	1.88		
	Sale(-) / Purchase(+) during the year with reasons	No change			
	At the End of the year (or on the date of separation, if separated during the year)			9000	1.88

MANABARRIE TEA COMPANY LIMITED

2.	Hans Raj Gupta				
	At the beginning of the year	9000	1.88		
	Sale(-) / Purchase(+) during the year with reasons	No Change			
	At the End of the year (or on the date of separation, if separated during the year)			9000	1.88
3.	Ujjwal Adhikari				
	At the beginning of the year	9000	1.88		
	Sale(-) / Purchase(+) during the year with reasons	No Change			
	At the End of the year (or on the date of separation, if separated during the year)			9000	1.88
4.	Suman Kumari Agarwal				
	At the beginning of the year	9000	1.88		
	Sale(-) / Purchase(+) during the year with reasons	No Change			
	At the End of the year (or on the date of separation, if separated during the year)			9000	1.88
5.	Babita Gupta				
	At the beginning of the year	8000	1.67		

MANABARRIE TEA COMPANY LIMITED

	Sale(-) / Purchase(+) during the year with reasons	No Change			
	At the End of the year (or on the date of separation, if separated during the year)			8000	1.67
6.	Mahendra Kumar Agarwal				
	At the beginning of the year	8000	1.67		
	Sale(-) / Purchase(+) during the year with reasons	No Change			
	At the End of the year (or on the date of separation, if separated during the year)			8000	1.67
7.	Anil Kumar Agarwal				
	At the beginning of the year	8000	1.67		
	Sale(-) / Purchase(+) during the year with reasons	No Change			
	At the End of the year (or on the date of separation, if separated during the year)			8000	1.67
8.	Bina Devi				
	At the beginning of the year	8000	1.67		
	Sale(-) / Purchase(+) during the year with reasons	No Change			
	At the End of the year (or on the date of separation, if separated during the year)			8000	1.67
9.	Bodhi Sales Pvt. Ltd.				

MANABARRIE TEA COMPANY LIMITED

	At the beginning of the year	7500	1.56		
	Sale(-) / Purchase(+) during the year with reasons	No Change			
	At the End of the year (or on the date of separation, if separated during the year)			7500	1.56
10.	Rajendra Kumar Agarwal				
	At the beginning of the year	7000	1.46		
	Sale(-) / Purchase(+) during the year with reasons	No Change			
	At the End of the year (or on the date of separation, if separated during the year)			7000	1.46

(v) **Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	Shareholding at the beginning of the year	Cumulative Shareholding during the year			
		No. of Shares	% of total Share of the Co.		
	For Each of the Directors and KMP	No. of shares	% of total shares of the Co.	No. of Shares	% of total Share of the Co.
1.	Mr. Sanjay Agarwal				
	At the beginning of the year	200	0.04%		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc):	No change during the year.			
	At the End of the year			200	0.04%
2.	Mr. Nitai Charan Biswas				
	At the beginning of the year	100	0.02%		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc):	No change during the year.			
	At the End of the year			100	0.02%

MANABARRIE TEA COMPANY LIMITED

3.	Mr. Paritosh Kumar Tarafder				
	At the beginning of the year	200	0.04%		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc):	No Change during the year			
	At the End of the year			200	0.04%
4.	Mr. Sayak Majumdar				
	At the beginning of the year	-	-		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc):	No Change during the year			
	At the End of the year	-	-		
5.	Mr. Partha Chakraborty				
	At the beginning of the year	-	-		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc):	No Change during the year			
	At the End of the year	-	-		
6.	Ms. Stuti Dubey				
	At the beginning of the year	-	-		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc):	No Change during the year			
	At the End of the year	-	-		

MANABARRIE TEA COMPANY LIMITED

7.	Ms. Punam Kumari Sharma, CS				
	At the beginning of the year	-	-		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc):	No Change during the year			
	At the End of the year	-	-		
8.	Mr. Sravan Kumar Kothari, CFO				
	At the beginning of the year	-	-		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc):	No Change during the year			
	At the End of the year	-	-		

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment Rs. in Lakhs.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Undebtedness at the beginning of the financial year				
i) Principal Amount	192.13	1202.50	-	1394.63
ii) Interest due but not paid	-	97.53	-	97.53
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	192.13	1300.03	-	1492.16
Change in Indebtedness during the financial year				
- Addition	106.22	1523.00	-	1629.22
- Reduction	-	1393.50	-	1393.50
Net Change	47.41	129.50	-	235.72
Indebtedness at the end of the financial year				
i) Principal Amount	298.35	1332.00	-	1630.35
ii) Interest due but not paid	-	118.75	-	118.75
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	298.35	1450.75	-	1749.10

MANABARRIE TEA COMPANY LIMITED

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager	Total Amount
		Mr. Sanjay Agarwal (Managing Director)	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	30,00,000/-	30,00,000/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,20,000/-	1,20,000/-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		
2.	Stock Option	—	—
3.	Sweat Equity	—	—
4.	Commission - as % of profit	—	—
5.	Others, please specify	—	—
	Total (A)	31,20,000/-	31,20,000/-
	Ceiling as per the Act	10% of Net Profit for all Executive Director and 5% of Net Profit to any one Managing or Whole Time Director.	

MANABARRIE TEA COMPANY LIMITED

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amt. (Rs.)
		Ms. Stuti Dubey (ID)	Mr. Sayak Majumdar (ID)	Mr. Partha Chakraborty (ID)	Mr.N.C. Biswas (NED,NID)	Mr. P. K. Tarafder (NED,NID)	
1.	Independent Directors						
	• Fee for attending board committee meetings	1,000/-	2,000/-	1,500/-	N.A.	N.A.	4,500/-
	• Commission	-	-	-	-	-	-
	• Others, please specify	-	-	-	-	-	-
	Total (1)	1,000/-	2,000/-	1,500/-			4,500/-
2.	Other Non-Executive Directors	N.A.	N.A.	N.A.			
	• Fee for attending board committee meetings				-	-	-
	• Commission				-	-	-
	• Others, please specify				-	-	-
	Total (2)	-	-	-	-	-	-
	Total (B)=(1+2)	1,000/-	2,000/-	1,500/-	-	-	4,500/-
	Total Managerial Remuneration						31,24,500/-
	Overall Ceiling as per the Act	1% of Net Profits of the Company for all Non-Executive Directors.					

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	—	4,55,366/-	3,50,000/-	8,05,366/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	—	—	—	—
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	—	—	—	—
2.	Stock Option	—	—	—	—
3.	Sweat Equity	—	—	—	—
4.	Commission	—	—	—	—
	- as % of profit				
	- others, specify				
5.	Others, please specify	—	—	—	—
	Total (A)	—	4,55,366/-	3,50,000/-	8,05,366

MANABARRIE TEA COMPANY LIMITED

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act.	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMAPNY					
Penalty	NIL				
Punishment	NIL				
Compounding	NIL				
B. DIRECTORS					
Penalty	NIL				
Punishment	NIL				
Compounding	NIL				
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL				
Punishment	NIL				
Compounding	NIL				

S. M. Kothari & Co.
Company Secretaries

Shree Mohan Kothari, ACA, FCS
Karnani Estate, 209, A. J. C. Bose Road
3rd Floor, Suite No. 112A, Kolkata - 700 017
Ph. : 30282031/5, (M) : 9830063393

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To
The Members,
Manabarrie Tea Company Limited
28/1, Shakespeare Sarani,
Ganga Jamuna Building,
Kolkata-700017.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Manabarrie Tea Company Limited** having its Registered Office at 28/1, Shakespeare Sarani, Ganga Jamuna Building, Kolkata-700017, West Bengal (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Manabarrie Tea Company Limited for the financial year ended on 31st March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

MANABARRIE TEA COMPANY LIMITED

- (b) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
- (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically, inter alia, to the Tea Industry:

1. Food Safety and Standards Act, 2006;
2. Tea Act, 1953;
3. Tea Waste Control Order, 1959;
4. Tea (Marketing) Control Order, 2003;
5. Tea (Distribution & Export) Control Order, 2005;
6. Plant Protection Code (Formulated by Tea Board of India)

to the extent of their applicability to the Company during the financial year ended 31.03.2017 and our examination and reporting is based on the documents, records and files as produced and shown to and the information and explanations as provided to us by the Company and its management and to the best of our judgement and understanding of the applicability of the different enactments upon the Company. Further, to the best of our knowledge and understanding there are adequate systems and processes in the Company commensurate with its size and operation to monitor and ensure compliances with applicable laws including general laws, labour laws, competition law, environments laws, etc.

We have also examined compliance with the applicable clauses of the following:

- a) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings;
- b) The revised uniform Listing Agreements entered into by the Company with the Calcutta Stock Exchange Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

1. There was delay in filing of Form MGT-14 for resolution of Alteration of Article of Association of the Company by 29 days from due date.

During the period under review, provisions of the following regulations/guidelines/standards were not applicable to the Company:-

- (i) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (iii) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

MANABARRIE TEA COMPANY LIMITED

- (iv) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (v) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (vi) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions are carried unanimously. None of the members of the Board have expressed dissenting views on any of the agenda items during the financial year under review.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that, to the best of our understanding, the Company had not undertaken any event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Place : Kolkata
Date : 30.05.2017

For **S. M. Kothari & Co.**
Company Secretaries

S. M. Kothari
C. P. 1837

Note: This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.

MANABARRIE TEA COMPANY LIMITED

'ANNEXURE A'

To,
The Members,
Manabarrie Tea Company Limited
28/1, Shakespeare Sarani,
Ganga Jamuna Building,
Kolkata-700017.

Shree Mohan Kothari, ACA, FCS
Karnani Estate, 209, A. J. C. Bose Road
3rd Floor, Suite No. 112A, Kolkata - 700 017
Ph. : 30282031/5, (M) : 9830063393

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place : Kolkata
Date : 30.05.2017

For **S. M. Kothari & Co.**
Company Secretaries

S. M. Kothari
C. P. 1837

MANABARRIE TEA COMPANY LIMITED

Annexure - IV

(i) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	Mr. Sanjay Agarwal, MD - 15:1
(ii) the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	Key Managerial Personnel: • Mr. Sanjay Agarwal, MD : Nil • Ms. Punam Sharma, CS : 22.80% • Mr. Sravan Kumar Kothari, CFO : 8.70% • Other directors do not draw remuneration
(iii) the percentage increase in the median remuneration of employees in the financial year;	8.93%
(iv) the number of permanent employees on the rolls of company;	88 employees as on 31.03.2017
(v) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	Average Salary increase of non-managerial employees is 6.92% Average Salary increase of managerial employees is 10.50%. As the remuneration of non-managerial as well the managerial employees has increased, so there is no exceptional circumstances.
(vi) affirmation that the remuneration is as per the remuneration policy of the company.	Remuneration paid during the year ended March, 2017 is as per the Remuneration Policy of the Company.

MANABARRIE TEA COMPANY LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE:

The global tea industry is largely dominated by India, the world's second largest producer and largest consumer. Global Tea production during calendar year 2016 is estimated at approximately 5462.68 million kgs as against 5281.52 million kgs of tea during calendar year 2015. This represent an increase in production over last year.

India, produced 1239.15 million kgs of tea in 2016 in comparison to 1208.66 million kgs in the previous year. India produces around 22.68% of tea of Global production. Total export of tea from India was 216.79 million kgs during the Year 2016 in comparison to 228.66 million kgs in previous year.

COMPANY PERFORMANCE AND OUTLOOK:

Total production of tea during the year under review is 1475814 Kgs (Own 831151 kgs and bought 644663 kgs) as compared to 1362857 Kgs (Own 688577 kgs and bought 674280 kgs) during the previous year. Total Production of tea has been increased mainly due to increase of own production of tea. The average sales price realization was RS.149.26 per kg as compared to Rs.155.96 per kg in the previous year. Sales Price realization was lower due to unfavorable market condition and less demands of Indian Teas by importing countries.

The increase of production did not substantially improve the profitability due to steep escalation in cost of coal, fuel, oil, electricity, fertilizer, insecticide and pesticides and steep hike in wages and staff welfare expenses. Though the price realization was low, the loss of the company is reduced to Rs. 140.61 lacs from Rs. 218.98 lacs due to increase of production by 8.29%.

In the beginning of current season the production of the Gardens has been stagnant. However we expect that total production of Crop to increase at the year end as compared to last year. However the price realization is further expected to be higher as compared to the corresponding period last year. Outlook for current year seems to be better than previous year.

PROSPECTS:

In the beginning the market shows positive and good demand for better quality of teas. The overall production of tea in India is affected due to Pest attack and flood in the monsoon. However we hope our production will surpass the previous year production level. Yield in the field of the company are indicating favourable results due to increase in harvest from young tea areas and betterment in quality and crop will be evident in the forth coming years. During the immediately preceding year, your company has made substantial amount of investment in the tea estate for the purpose of increasing the yield as well as the quality, Continuous process of upgrading and replacing of old machineries by new one has been undertaken in the area of power generation, quality control and sorting to increase the production as well as improvement of the end product during the year and in years to come.

EDUCATIONAL, CULTURAL & WELFARE ACTIVITIES:

The Company invested in a clean manufacturing technology resulting in low emission and a positive environmental impact. The company has been following a consistent policy of improving the life of its garden workers. Substantial expenditure was incurred for modernization of Pucca Labour Quarters, sanitation, Hospital and Educational and welfare facilities at the garden. Also arranging for rural electrification facility for the workers. Rural electrification has been arranged to provide electricity to labour houses of Garden workers.

CORPORATE SOCIAL OBLIGATIONS:

Despite the changing socio-economic and cultural environment in Assam, the company has continued to fulfil its social obligation. Actions have been launched to effectively bring about improvement in the areas, viz, housing, sanitation, hospitals, medical, education and employment opportunities are continued. Rural electricity projects for providing electricity to garden workers is completed during the reporting period.

MANABARRIE TEA COMPANY LIMITED

RISK AND CONCERNS:

The Tea industry is mainly dependent on the climatic conditions and it is also high labour oriented and subject to stringent labour laws. In India Labour wages has been substantially increased then other tea producing countries. Besides the wages the cost of energy, chemicals also going high, leads to increase cost of production and facing tough competition in global market. Low yield in old bush section are also a concern of worry.

The industry also subject to various state and central taxation, Like Direct taxes, Land revenue, and Cess on green leaf. Substantial increase in land revenue charges put the industry at a very disadvantageous position. There are economic uncertainties in some markets like Russia which may pose challenges in short term. In developed markets the demand of black tea is declining. Only the High quality black tea has significant demand in the market.

To mitigate the risk the company under took various steps by way of better management of energy utilisations, using energy efficient machinery, better pest management and monitoring, and efficient irrigation leading to minimise fuel, chemical and other cost. Emphasis has been given to Increase productivity and increase yield and mostly improving the quality to sustain in the business.

INTERNAL CONTROL SYSYTEM:

The Company has an adequate internal control system, commensurate with the size and nature of its business. The system is supported by documented policies, guidelines, and procedure to monitor business and operational performance which are aimed at ensuring business integrity and promoting operational efficiency. The Audit Committee of the Board reviews the adequacy and effectiveness of the internal control systems and suggests improvement for strengthening them.

MANABARRIE TEA COMPANY LIMITED

S. M. Kothari & Co.
Company Secretaries

Shree Mohan Kothari, ACA, FCS
Karnani Estate, 209, A. J. C. Bose Road
3rd Floor, Suite No. 112A, Kolkata - 700 017
Ph. : 30282031/5, (M) : 9830063393

To,
The Members,
Manabarrie Tea Company Limited

We have examined all relevant records of Manabarrie Tea Company Limited for the purpose of certifying compliance of the conditions of Corporate Governance as per Para C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulation 34(2) of the said Listing Regulations (Hereinafter, collectively referred to as the Listing Regulations) for the Financial Year ended on 31st March, 2017. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to the procedure and implementation thereof and was carried out in accordance with the Guidance Note on Corporate Governance Certificate issued by the Institute of Company Secretaries of India. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

On the Basis of our examination of the records produced and explanations furnished, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listed Regulations.

Place : Kolkata
Date : 30.05.2017

For S. M. Kothari & Co.
Company Secretaries

S. M. Kothari
C. P. 1837

MANABARRIE TEA COMPANY LIMITED

REPORT ON CORPORATE GOVERNANCE

1. THE COMPANY'S GOVERNANCE PHILOSOPHY

We at Manabarrie Tea Company Limited (MTCL) firmly believe that for a Company to succeed it must maintain global standards of corporate conduct towards its shareholders, employees, consumers and society. Good Corporate Governance has always been our focal point of attention with emphasis on the complete well-being of all constituents. It encompasses law, procedure, practices and implicit rules that determine the management's abilities to take sound and informed business decisions vis-à-vis all its stakeholders i.e. shareholders, creditors, employees and the state.

The Company's philosophy on corporate governance envisages the attainment of the highest level of transparency and accountability, integrity and equity in all fact of its operations and its interaction with stakeholders.

The Board of Directors of your Company is responsible for and committed to sound principles of Corporate Governance in the Company. The Company will continue to focus its resources, strengths and strategies to achieve its vision of becoming the most admired and trusted tea producer.

2. BOARD OF DIRECTORS

The Board of Directors ("the Board") is at the core of our Corporate Governance practice and oversees how the management serves and protect the long term interest of all our stakeholders. We believe that an active, well informed and independent Board is necessary to ensure the highest standard of Corporate Governance.

Composition of Board

The Board Comprises such numbers of Non-Executive, Executive and Independent Director including one women Director as required under Regulation 17 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015. As on date of this Report, the Board consists of Six Directors comprising two Non-Executive Directors, three non-executive Independent Directors and one Executive Director. The composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business.

The Information on Composition of the Board as on date, category of Directors, Directorships in other Public Limited Companies and Committees of other Public Limited Companies of which the Director is a member/chairman is as under:

Name of the Directors	Category of Directors	Number of Board Meetings held during the year 2016-17		Whether attended last AGM held on 27.09.2016	No. of Directorships in Other Public Companies*	No. of Committee Positions held in other Public Companies	
		Held	Attended			Chairman	Member
Mr. Sanjay Agarwal	Managing Director Executive	9	7	No	3	-	-
Mr. Nitai Charan Biswas	Non-Executive Non-Independent	9	9	Yes	-	-	-
Mr. Paritosh Kumar Tarafder	Non-Executive Non-Independent	9	9	Yes	-	-	-
Ms. Stuti Dubey	Non-Executive Independent Director	9	3	No	1	-	1
Mr. Sayak Majumdar	Non- Executive Independent	9	5	Yes	1	1	-
Mr. Partha Chakraborty	Non- Executive Independent	9	3	No	-	-	-

MANABARRIE TEA COMPANY LIMITED

* Only public Limited Company has been considered.

In case of Committee(s) only Audit Committee and Stakeholders Relationship Committee have been considered.

None of the directors are members of more than ten committees or chairman of more than five committees in public limited companies in which they are directors. Necessary disclosures have been obtained from all the directors regarding their directorship and have been taken on record by the Board.

Nine (9) Board Meetings were held during the Financial Year 2016-17 and the gap between two meetings did not exceed one hundred and twenty days. The dates on which the said meetings were held:

11th May 2016, 30th May 2016, 1st August 2016, 11th August 2016, 10th October 2016, 14th November, 2016, 15th December, 2016, 4th February, 2017, 13th February, 2017.

The necessary quorum was present for all the meetings.

There are no inter-se relationship between our Board Members.

Details of equity shares of the Company held by Non -Executive Directors are as under:

1. Mr. Paritosh Kumar Tarafder- 200 shares
2. Mr. Nitai Charan Biswas- 100 Shares

No Non-Executive Directors of the Company held any convertible Instruments.

3. COMMITTEES OF THE BOARD

The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action.

The Board has currently the following Committees.

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee

(A) AUDIT COMMITTEE

The terms of reference of Audit Committee includes the matters specified under Regulation 18 (3) read with Part C of Schedule II of the SEBI (Listing Obligations and Disclosures Requirements), Regulation 2015.

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending the appointment, remuneration, terms of appointment of auditors and also approval for payment for any other services rendered by the statutory auditors.
3. Reviewing with management the annual financial statements and the auditors' report thereon before submission to the board, focusing primarily on;
 - (a) Matters required to be included in the Directors' Responsibility Statement to be included in the Boards' Report in terms of clause (c) of sub-section (3) of section 134 of the Companies Act, 2013;
 - (b) Changes if any in accounting policies and practices and reasons for the same;
 - (c) Major accounting entries involving estimates based on the exercise of judgement by management;
 - (d) Significant adjustments arising out of audit;
 - (e) Compliance with the listing and other legal requirements relating to financial statements;
 - (f) Disclosure of any related party transactions;
 - (g) Modified opinion(s) in the draft audit report;

MANABARRIE TEA COMPANY LIMITED

4. Reviewing with the management, the quarterly financial statements before submission to the board for approval.
5. Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
6. Approval of any subsequent modification of transactions of the Company with related parties;
7. Scrutiny of Inter-corporate loans and investments;
8. Valuation of undertakings or assets of the Company wherever it is necessary
9. Evaluation of Internal Financial Controls and risk management systems;
10. Reviewing the function of Whistle Blower Mechanism;
11. Reviewing with the management the performance of Statutory Auditor and Internal auditors, adequacy of internal control systems.

Composition of Audit Committee:

The Composition of Audit Committee and details of meeting attended by its members are listed below:

Name of the Directors	Designation	Category	No. of meetings during the financial year 2016-17	
			Held	Attended
Mr. Sayak Mujumdar	Chairman	Non-Executive Independent	04	04
Mr. Partha Chakraborty	Member	Non-Executive Independent	04	03
Ms. Stuti Dubey	Member	Non-Executive Independent	04	03
Mr. Paritosh Kumar Tarafder	Member	Non-Executive Non- Independent	04	04

- The composition of the committee is in conformity with Regulation 18 of the SEBI (Listing Obligations and Disclosures Requirements), Regulation 2015 and all members of committee are financially literate and have relevant finance exposure.
- During the financial year 2016-17, Audit Committee met four times on **30th May 2016, 11th August 2016, 14th November 2016 and 13th February 2017** and the gap between two meetings did not exceed one hundred and twenty days. The necessary quorum was present for all the meetings.
- The Company Secretary acts as a secretary of the Committee.

(B) NOMINATION AND REMUNERATION COMMITTEE

The terms of reference of Nomination and Remuneration Committee includes the matters specified under Regulation 19(4) read with Part-D of Schedule II of the SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015.

1. Formulating the criteria for qualifications, positive attributes and independence of the director and recommend to the Board of Directors a policy relating, the remuneration of the Directors, Key Managerial Personnel and other employees;
2. Formulating the criteria for evaluating the performance of the Independent Directors and the board of directors;
3. Devising a policy on diversity of board of directors;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal;

MANABARRIE TEA COMPANY LIMITED

Composition of Nomination and Remuneration Committee and details of meeting attended by its members are listed below:

One meeting of Nomination and Remuneration Committee was held on 15.09.2016.

Name of the Directors	Designation	Category	No. of meetings during the financial year 2016-17	
			Held	Attended
Mr. Sayak Mujumdar	Chairman	Non-Executive Independent	01	01
Mr. Partha Chakraborty	Member	Non-Executive Independent	01	01
Mr. Paritosh Kumar Tarafder	Member	Non-Executive Non- Independent	01	01
Ms. Stuti Dubey	Member	Non-Executive Independent	01	01

Performance evaluation criteria for Independent Director

The Performance evaluation criteria is determined by the Nomination and Remuneration Committee. An indicative list of factors that may be evaluated include participation and contribution a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stake holders, integrity and maintenance of confidentiality and independence of behavior and judgement.

(C) REMUNERATION POLICY

The remuneration payable to the Executive Directors is determined by the Board on the recommendation of the Nomination and Remuneration Committee. This is subject to the approval of the shareholders at the General Meeting. The Non-Executive Directors do not draw any remuneration from the Company except sitting fees for attending the meeting of the Board and the Committee.

The details of remuneration paid to Managing Director (Executive) for the year 2016-17 are as follows:

<u>Name of the Director</u>	<u>Salary</u>	<u>Benefits/Perquisites</u>	<u>Total</u>
1. Mr. Sanjay Agarwal	30,00,000/-	1,20,000/-	31,20,000/-

The details of remuneration paid to Non-Executive/Independent Directors for the year 2016-17 are as follows:

<u>Non-Executive Directors</u>	<u>Sitting Fees Paid (Rs.)</u>
1. Mr. Paritosh Kumar Tarafder	-
2. Mr. Nitai Charan Biswas	-
3. Ms. Stuti Dubey	1,000
4. Mr. Sayak Majumdar	2,000
5. Mr. Partha Chakraborty	1,500

The Non-Executive Directors are not paid any commission and other elements like performance linked incentives, Service contract, Notice period, severance fees and stock option details are not applicable in case of Non-Executive Directors.

(D) STAKEHOLDERS' RELATIONSHIP COMMITTEE

The terms of reference of Stakeholders' Relationship Committee includes the matters specified under Regulation 20(4) read with Part-D of Schedule II of the SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015.

The Committee consider and resolve the grievances of security holders of the company including redressal of shareholders/Investors complaint like transfer of shares, non-receipt of declared dividends, non receipt of annual report etc. The Company has registered under SCORES and complaints are processed through the Company's RTA i.e. M/s ABS Consultant Pvt. Ltd.

MANABARRIE TEA COMPANY LIMITED

Two meetings of the Stakeholders' Relationship Committee were held during the year on 10th October, 2016 and 15th December, 2016.

The composition of the Stakeholders' Relationship Committee and the details of meeting attended by its members are given below:

Name of the Directors	Designation	Category	No. of meetings during the financial year 2016-17	
			Held	Attended
Sri Nitai Charan Biswas	Chairman	Non-Executive Independent	2	2
Sri Sayak Majumdar	Member	Non-Executive Independent	2	2

- i) Name of Non-Executive Director heading the Committee : Sri Nitai Charan Biswas
- ii) Name & Designation of Compliance officer : Ms. Punam Kumari Sharma, Company Secretary
- iii) Number of Shareholders' Complaint received during the year : NIL ;

4. GENERAL BODY MEETINGS

Location and time where last three Annual General Meeting were held:

VENUE	FINANCIAL YEAR	DATE & TIME
At the Registered office i.e., 28/1, Shakespeare Sarani, Kolkata 700 017	2013-2014	30.09.2014 at 11.00 A.M.
At the Registered office i.e., 28/1, Shakespeare Sarani, Kolkata 700 017	2014-2015	28.09.2015 at 11.00 A.M.
At the Registered office i.e., 28/1, Shakespeare Sarani, Kolkata 700 017	2015-2016	27.09.2016 at 11.00 A.M.

Whether any Special Resolution was passed in the previous three AGMs: Yes

Whether any Resolution was passed last year through postal ballot: No.

At present, there is no proposal for passing of any special resolution through postal ballot.

5. MEANS OF COMMUNICATION

Timely disclosure of consistent, comparable, relevant and other reliable information on corporate financial performance is at the core of good governance. The Company sent the quarterly, half - yearly, Annual results to the concerned stock exchange within the time as stipulated under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 . The results are published usually in Financial Express (English) and Arthik Lipi (Bengali).

6. GENERAL SHREHOLDERS INFORMATION

i. AGM Details:

Date	10th July, 2017
Venue	28/1, Shakespeare Sarani, Kolkata - 700 017
Time	3:00 P.M

MANABARRIE TEA COMPANY LIMITED

ii. Financial Calendar

Financial Year - 1st April to 31st March

Financial Reporting for the year 2017 - 18

Quarter ending / Year ending	Tentative Schedule
Unaudited Financial Result for 1st quarter ending 30.06.2017	On or before 14th August, 2017
Unaudited Financial Year Result for 2nd quarter ending 30.09.2017	On or before 14th November, 2017
Unaudited Financial Year Results for 3rd quarter ending 31.12.2017	On or before 14th February, 2017
Audited Financial Result for 4th quarter and year ending 31.03.2018	On or before 30th May, 2018

iii. **Dividend Payment date:** Not Applicable

iv. **Listing on Stock Exchange:** Calcutta Stock Exchange Ltd., 7, Lyons Range, Kolkata- 700001

The Listing Fees have been paid to CSE for the Financial Year 2017 -18.

v. **Stock Exchange Code:** 23095

vi. **Market Price Data**

The Annually highest and lowest closing quotations of the equity shares of the Company at the Calcutta Stock Exchange, during Financial Year 2016 - 17 is Nil as there was no trading during the period.

vii. **Registrar & Share Transfer Agents (RTA)**

ABS Consultant Pvt. Ltd.

**Stephen House, 4, B.B.D. Bag (East),
6th Floor, R. N. 99, Kolkata 700 001**

viii. **Share Transfer System**

The share transfers requests are directly received and processed by the Company Registrar and Transfer Agent i.e. M/s ABS Consultant Pvt. Ltd. In case Company received any share transfer request from the shareholder, it forwards the transfer request to the RTA for process the request.

Share transfer request received in physical form are registered within 30 days from the date of the receipt.

ix. **Dematerialization of Shares and Liquidity:**

The Shares of the Company are compulsorily traded in dematerialized form and are available for trading under both the depository systems in India-NDSL (National Depository Services Ltd.) and CDSL [Central Depository Services (India) Limited]. As on 31st March, 2017 the number of equity shares in dematerialized form is 3, 35,600 representing 69.92% of the total equity shares.

Under Depository system the International Securities Identification Number (ISIN) allotted to the Company's Equity Shares is INE273E01017.

Outstanding GDRs/ ADRs/ Warrants or any convertible instruments in the past and hence as on 31st March, 2016, the company does not have any outstanding GDRs/ ADRs/ Warrants or any convertible instruments.

Commodity Price risk or foreign exchange risk and hedging activities - NIL

NSDL / CDSL / PHYSICAL SUMMARY REPORT AS ON 31-03-2017

	<u>No. of Shares</u>	<u>% of Shareholdings</u>
1. PHYSICAL	1, 44,400	30.08
2. NSDL	1, 63,600	34.08
3. CDSL	1, 72,000	35.84

MANABARRIE TEA COMPANY LIMITED

xi. Distribution of Shareholding:

Distribution of equity shareholding as on 31st March, 2017 :

Sl. No.	No. of Equity Shares held	No. of Folios	No. of Shares	Percentage of shareholding
1.	1 to 500	39	6525	1.36
2.	501 to 1000	01	700	0.15
3.	1001 to 2000	-	-	-
4.	2001 to 3000	02	4700	0.98
5.	3001 to 4000	-	-	-
6.	4001 to 5000	-	-	-
7.	5001 to 10000	20	146200	30.46
8.	10001 to 50000	03	65375	13.62
9.	50001 to 100000	01	84500	17.60
10.	100000 & above	01	172000	35.83
	Total	67	480000	100

Categories of equity shareholders as on 31st March, 2017.

Category	No. of Shares Held	Percentage of share holding
Promoters' Holdings		
Individuals / HUF	56,375	11.74
Bodies Corporate	2,81,325	58.61
Public Shareholding		
Financial Institutions/ Banks	1,050	0.22
Bodies Corporate	10,000	2.08
Individuals shareholders holding nominal share capital up to Rs. 2 Lakh	1,31,250	27.34
Total	4,80,000	100

xi. Plant Locations

GARDENS:

- Kacharigoan Tea Estate**
P.O. Rangapara - 784505
Dist: Sonitpur, Assam
- Topia Tea Estate**
P.O. Naharbari - 784182
Dist: Sonitpur, Assam

xii. Address for correspondence

Registered office: 28/1, Shakespeare Sarani,
Ganga Jamuna Building, 1st Floor,
Kolkata- 700017.

DISCLOSURES

a) Related Party Transactions

The Company has not entered into any transactions of a material nature with the Promoters, the Directors or the Management, their Subsidiaries or Relatives etc., that may have potential conflict with the interest of the company.

b) Compliance by the Company

The company has complied with the requirements of the Stock Exchange, SEBI and other Statutory Authorities on all matters related to Capital Markets. No penalties or strictures have been passed on the company by the Stock Exchange or SEBI or any other Statutory Authorities relating to the above.

c) WHISTLE BLOWER POLICY

The Company has established a vigil mechanism for directors and employees to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The Company affirms that none of the employees have been denied access to Audit Committee.

d) Mandatory and Non Mandatory Requirements:

All the mandatory requirements of Listing Regulations have been appropriately complied with.

Non Mandatory Requirements:

• **Opinion in Audit Report-**

The Auditors of the Company have furnished their Audit Report in respect of Financial Results for the financial year ended 31st March, 2017 with un-modified opinion.

• **Report of Internal Auditor-**

The Internal Auditors of the Company are Independent and their reports are placed before the Audit Committee.

e) Policy for determination of a Material Subsidiary:

As the size of the Company is very small, the Company has not yet hosted the policy in its website.

f) Policy on Related Party Transaction:

As the size of the Company is very small, the Company has not yet hosted the policy in its website.

DISCRETIONARY REQUIREMENTS:

Details provided in clause (d) of above disclosure.

MANABARRIE TEA COMPANY LIMITED

CEO & CFO CERTIFICATION

Pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Date: 30.05.2017

To,
The Board of Directors
Manabarrie Tea Co. Ltd.
28/1, Shakespeare Sarani,
Ganga Jamuna Building, 1st Floor
Kolkata- 700017

- (a) We have reviewed the financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
- (i) These statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- (b) To the best of our knowledge and belief no transactions entered into by the company during the year ended 31st March, 2017 which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee
- (i) Significant changes in the internal control over financial reporting during the year.
 - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For Manabarrie Tea Company Limited
Sd/-
Sanjay Agarwal
Managing Director

For Manabarrie Tea Company Limited
Sd/-
Sravan Kumar Kothari
Chief Financial Officer

COMPLIANCE WITH CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

As provided under schedule V (D) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, all Board members and senior management Personnel have affirmed compliance with code of Ethics and Business Conduct of the Company for the Financial Year ended 31st March, 2017.

Date: 30.05.2017
Place: Kolkata

For Manabarrie Tea Company Limited
Sd/-
Sanjay Agarwal
Managing Director

MANABARRIE TEA COMPANY LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MANABARRIE TEA CO LIMITED

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of **MANABARRIE TEA CO LTD**, which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its **LOSS** and its cash flow for the year ended on that date, read with **Note No 22.3 on Schedule of NOTES** regarding non provision of doubtful advances, deposits, and Debts amounting to **Rs15,10,816.36** and non provision of premium payable to Life Insurance Corporation of India for Group Gratuity Scheme for **Rs. 66,60,759/-**.

MANABARRIE TEA COMPANY LIMITED

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet and the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of the written representations received from the directors as on March 31, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164 (2) of the Act.
- f) The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation, we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The company has no pending litigations which have impact on its financial position in its financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, and as required on long-term contracts including derivative contracts.
 - iii. The company is not liable to transfer any amount to Investor Education Protection Fund.
- h) As required by the Companies (Auditors' Report) Order, 2016 (the Order), issued by the Central Government of India in terms of sub-section 11 of section 143 of the Companies Act, 2013, we give in the "**Annexure A**" a Statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
 - i) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".

For B Kumar & Co.
(Regd. No. 306098E)
Chartered Accountants

6A Clive Row,
Kolkata - 700001.
Date : 30.05.2017

(B K Poddar)
Partner
M. No. 010211

MANABARRIE TEA COMPANY LIMITED

"Annexure A" to the Independent Auditors' Report

(Annexure to point 'h' of "Report on Other Legal and Regulatory Requirements" section of our report of even date, we report as under)

I. In respect of its fixed assets:

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
- b) The fixed assets were physically verified by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification between the Book records and the physical Assets.
- c) The title deeds of immovable properties are held in the name of the Company.

II. In respect of its inventory:

- a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
 - b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- III. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the Register maintained under Section 189 of the Companies Act, 2013.
- IV. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- V. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2014 as amended.
- VI. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- VII. (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2017 for a period of more than six months from the date on when they become payable.
- (b) The details of dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, and Cess which have not been deposited as on March 31, 2017 on account of disputes are given below:-

MANABARRIE TEA COMPANY LIMITED

Name of Statute	Nature of Due	Forum above dispute is pending	Amount
Income Tax Act	Income Tax	Commissioner of Income Tax (Apellate)	Rs 205660/-

- VIII In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks and financial institutions. The Company has not issued any debentures during the year.
- IX Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans.
- X Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- XI Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- XII In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- XIII According to information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- XIV Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- XV Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him.
- XVI In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

For B Kumar & Co.
(Regd. No. 306098E)
Chartered Accountants

6A Clive Row,
Kolkata - 700001.
Date :- 30.05.2017

(B K Poddar)
Partner
M. No. 010211

MANABARRIE TEA COMPANY LIMITED

"Annexure B" to the Independent Auditors' Report of even date on the Financial Statements of Manabarrie Tea Co. Ltd.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **MANABARRIE TEA CO LTD.** ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

MANABARRIE TEA COMPANY LIMITED

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For B Kumar & Co.
(Regd. No. 306098E)
Chartered Accountants

6A Clive Row,
Kolkata - 700001.
Date :- 30.05.2017

(B K Poddar)
Partner
M. No. 010211

MANABARRIE TEA COMPANY LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars	Note No.	As at 31st March, 2017 (Rs.)	As at 31st March, 2016 (Rs.)
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	1	10,48,00,000.00	10,48,00,000.00
Reserves and Surplus	2	(9,34,11,535.51)	(7,93,50,342.31)
		1,13,88,464.49	2,54,49,657.69
Non-Current Liabilities			
Long-term Borrowings	3	14,56,53,432.00	12,99,31,430.00
		14,56,53,432.00	12,99,31,430.00
Current Liabilities			
Short-Term Borrowings	4	2,92,57,347.56	1,85,19,443.83
Trade Payables	5	1,35,23,560.67	1,33,68,500.27
Other Current Liabilities	6	2,02,97,543.05	1,93,40,373.08
Short Term Provision	7	-	-
		6,30,78,451.28	5,12,28,317.18
Total		22,01,20,347.77	20,66,09,404.87
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	8	18,15,72,233.57	16,43,99,992.12
Capital Work in Progress	8	10,36,963.00	6,46,380.35
Non-Current Investments	9	11,03,338.00	11,03,338.00
Long Term Loans and Advances	10	69,37,662.36	70,92,487.36
		19,06,50,196.93	17,32,42,197.83
Current assets			
Inventories	11	1,96,76,106.80	2,28,33,725.70
Trade Receivables	12	16,05,256.96	52,87,513.21
Cash and Cash Equivalents	13	16,12,527.99	6,53,130.82
Short-Term Loans and Advances	14	65,76,259.09	45,92,837.31
		2,94,70,150.84	3,33,67,207.04
Total		22,01,20,347.77	20,66,09,404.87

Significant Accounting Policies Notes on Financial Statements 22

For and on behalf of the Board of Directors

In terms of our report of even date attached

6A, Clive Row
2nd Floor (Front Gate)
Kolkata - 700 001

For **B. Kumar & Co.**
Chartered Accountants
Firm Registration No. 306098E
(B. K. Poddar)
Partner
Membership No. 010211

Sanjay Agarwal
Managing Director

Nitai Charan Biswas
Director

Sravan Kumar Kothari
Chief Financial Officer

Punam Kumari Sharma
Company Secretary

Dated : 30th May, 2017

MANABARRIE TEA COMPANY LIMITED

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

	Note No.	For the year ended 31st March, 2017 (Rs.)	For the year ended 31st March, 2016 (Rs.)
INCOME			
Revenue from Operations	15	21,74,66,929.08	20,17,76,379.56
Other Income	16	1,97,017.68	28,27,600.85
Total Revenue		21,76,63,946.76	20,46,03,980.41
Expenditure:			
Cost of Materials Consumed	17	5,27,58,466.50	6,25,76,276.50
Changes in Inventories of Finished Goods	18	21,70,684.56	(64,82,881.98)
Employee Benefit Expense	19	8,57,70,852.82	8,41,65,639.80
Finance Costs	20	2,01,16,509.83	1,62,50,235.00
Depreciation and Amortization Expense		93,34,310.88	68,97,409.29
Other Expenses	21	6,15,74,315.37	6,30,95,699.47
Total Expenses		23,17,25,139.96	22,65,02,378.08
Profit / (Loss) Before Tax		(1,40,61,193.20)	(2,18,98,397.67)
Reserve & Tax Expenses:			
Profit / (Loss) After Tax		(1,40,61,193.20)	(2,18,98,397.67)

Earning per equity share [Nominal Value of 10/- each]

Basic & Diluted (in)

(29.29)

(45.62)

Significant Accounting Policies Notes on Financial Statements. 22

In terms of our report of even date attached.

For and on behalf of the Board of Directors

Sanjay Agarwal
Managing Director

Nitai Charan Biswas
Director

Pravan Kumar Kothari
Chief Financial Officer

Punam Kumari Sharma
Company Secretary

6A, Clive Row
2nd Floor (Front Gate)
Kolkata - 700 001

Dated : 30th May, 2017

For **B. Kumar & Co.**
Chartered Accountants
Firm Registration No. 306098E
(B. K. Poddar)
Partner
Membership No. 010211

MANABARRIE TEA COMPANY LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE NO. 1	As at 31st March, 2017	As at 31st March, 2016
Share Capital		
1.1. Details of Authorised Capital		
1.1.1 5,00,000 Equity Shares of Rs. 10/- each	50,00,000.00	50,00,000.00
1,00,00,000 Redeemable Preference Shares @ 8% Non Cumulative of Rs. 10/- Each	10,00,00,000.00	10,00,00,000.00
	10,50,00,000.00	10,50,00,000.00
1.1.2 Equity Share Capital		
Issued, Subscribed and Fully Paid up Shares		
4,80,000 Equity Shares of Rs. 10/- each	4,80,00,000.00	4,80,00,000.00
	4,80,00,000.00	4,80,00,000.00
1.1.3 Preference Share Capital		
Issued, Subscribed and Fully Paid up Shares		
1,00,00,000 Redeemable Preference Shares @ 8% Non Cumulative of Rs. 10/- Each	10,00,00,000.00	10,00,00,000.00
	10,48,00,000.00	10,48,00,000.00

1.2 Reconciliation of Shares Outstanding at the beginning and at the end of the Year

	As at 31st March, 2017		As at 31st March, 2016	
	No. of shares Held	Amount Rs.	No. of Shares Held	Amount Rs.
1.2.1 Equity Shares				
At the beginning of the year	4,80,000	48,00,000.00	4,80,000	48,00,000.00
Outstanding at the end of the year	4,80,000	48,00,000.00	4,80,000	48,00,000.00
1.2.1 Preference Shares				
At the beginning of the Year	1,00,00,000	10,00,00,000.00	1,00,00,000	10,00,00,000.00
Shares issued during the year	-	-	-	-
Outstanding at the end of the Year	1,00,00,000	10,00,00,000.00	1,00,00,000	10,00,00,000.00

1.3 Terms and rights attached to Equity Shares

The Equity Shares having par value of Rs. 10/- per share. Each holder of Equity Shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees.

The Preference Share having par value of Rs. 10/-. The Preference Share having no voting right.

In the event of liquidation of the company, the holders of Equity Shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the Shareholders

1.4 Details of Shareholders holding more than 5 percent of Shares in the Company

Name of Shareholders	As at 31st March, 2017		As at 31st March, 2016	
	No. of shares Held	% of Holding	No. of Shares Held	% of Holding
1.4.1 Equity Shares of Rs. 10/- Each Fully Paid				
Winsome Holdings & Investments Ltd.	1,72,000	35.83	1,72,000	35.83
Swift Builders Ltd.	84,500	17.60	84,500	17.60
Crickxon Trade & Exports Pvt. Ltd.	24,825	5.17	24,825	5.17
Smt. Pushpa Bagrodia	27,150	5.66	27,150	5.66
1.4.2 Preference Shares of Rs. 10/- Each Fully Paid				
Amar Vanijya Ltd.	5,00,000	5.00	5,00,000	5.00
Crickxon Trade & Exports Pvt. Ltd.	20,00,000	20.00	48,00,000	48.00
Ellora Traders Ltd.	15,00,000	15.00	15,00,000	15.00
Swift Builders Ltd.	7,00,000	7.00	13,00,000	13.00
Topdeal Agencies Pvt. Ltd.	49,50,000	49.50	19,00,000	19.00

MANABARRIE TEA COMPANY LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	As at 31st March, 2017	As at 31st March, 2016
NOTE NO. 2		
Reserves & Surplus		
Securities Premium Reserve		
As per Last Balance Sheet	60,00,000.00	60,00,000.00
General Reserve		
As per Last Balance Sheet	22,500.00	-
Transferred during the year	-	22,500.00
Subsidised Housing Scheme Reserve		
As per Last Balance Sheet	-	22,500.00
Less : Transferred to General Reserve	-	22,500.00
Surplus		
Balance as per last financial statements	(8,53,72,842.31)	(6,34,94,444.64)
Add : Profit / (Loss) for the Year	(1,40,61,193.20)	(2,18,98,397.67)
	(9,94,34,035.51)	(8,53,92,842.31)
Add : Depreciation Adjustment	-	-
Less : Provision for diminution of value of investments written back	-	20,000.00
	(9,94,34,035.51)	(8,53,72,842.31)
Total Reserve & Surplus	(9,34,11,535.51)	(7,93,50,342.31)

NOTE NO. 3

LONG TERM BORROWINGS

Secured

From Tea Board of India Plantation Loan
under SPTF Scheme

5,78,135.00 6,93,762.00

Unsecured

Loans from Related Parties

Swift Builder Ltd.

49,00,857.00 17,59,428.00

Crickxon Trade & Exports Pvt. Ltd.

3,86,841.00 1,94,64,167.00

Winsome Holdings & Investments Ltd

11,88,385.00 1,29,27,219.00

Loans from Others

13,85,99,214.00 9,50,86,854.00

Total

14,56,53,432.00 12,99,31,430.00

The above Includes

Secured borrowings

5,78,135.00 6,93,762.00

Unsecured borrowings

14,50,75,297.00 12,92,37,668.00

Net Amount

14,56,53,432.00 12,99,31,430.00

MANABARRIE TEA COMPANY LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

3.1 Nature of Security

Loan from Tea Board is secured by hypothecation of tea crops and mortgage of title deeds of Tea Estate (2nd Charge)

3.2 Repayment Profile

	<u>1-2 Years</u>	<u>2-3 Years</u>	<u>3-4 Years</u>	<u>Beyond 4 Years</u>
SPTF Loan	1,15,627/-	1,15,627/-	1,15,627/-	2,31,254/-

NOTE NO. 4

	<u>As at 31st March, 2017</u>	<u>As at 31st March, 2016</u>
<u>Short Term Borrowings</u>		
<u>Secured</u>		
Cash Credit from Uco Bank	<u>2,92,57,347.56</u>	<u>1,85,19,443.83</u>
Total	<u>2,92,57,347.56</u>	<u>1,85,19,443.83</u>

Cash credits from bank is secured by hypothecation of green tea leaf, before and after plucking, teas in process, finished tea in stock/transit or tea lying with brokers, trade receivables and by way of equitable mortgage of immovable properties and machineries of tea estate as collateral security and further guaranteed by an ex-director.

NOTE NO. 5

Trade Payable

Micro, Small and Medium Enterprises	-	-
Others	<u>1,35,23,560.67</u>	<u>1,33,68,500.27</u>
Total	<u>1,35,23,560.67</u>	<u>1,33,68,500.27</u>

5.1 There is no amount due to micro, small and medium enterprises to the extent such parties have been identified from available information.

NOTE NO. 6

Other Current Liabilities

Creditors for Expenses	<u>1,93,58,038.29</u>	<u>1,79,88,087.91</u>
For Other Finance	<u>9,39,504.76</u>	<u>13,52,285.17</u>
Total	<u>2,02,97,543.05</u>	<u>1,93,40,373.08</u>

NOTE NO. 7

Short Term Provision

For Wealth Tax	-	-
	-	-

MANABARRIE TEA COMPANY LIMITED

NOTE NO. - 8

FIXED ASSETS

TANGIBLE ASSETS

OWN ASSETS

S/L No.	Particulars	GROSS BLOCK					DEPRECIATION					NET BLOCK	
		As on 01.04.2016	Adjustment for Agst. Dep.	Addition during the year	Deduction during the year	As on 31.03.2017	Provided up to 01.04.2016	For the Year	Adjustment during the year	Up to 31.03.2017	As at 31.03.2017	As at 31.03.2016	
1	Land for Freehold Estate	14,13,209.00	-	-	-	14,13,209.00	-	-	-	-	14,13,209.00	14,13,209.00	
2	Estate for Bushes	9,31,22,990.76	-	1,82,38,749.74	-	11,13,61,730.50	12,86,778.00	-	-	11,00,74,952.50	9,18,36,202.76	9,18,36,202.76	
3	Buildings	2,50,95,971.96	-	38,52,291.46	-	2,89,48,263.42	1,18,46,743.44	7,87,101.38	-	1,63,14,418.80	1,32,49,228.52	1,32,49,228.52	
4	Plant & Machineries	10,29,42,669.56	-	34,89,189.13	-	10,64,31,858.69	5,12,58,361.53	64,54,698.60	-	5,77,13,060.13	4,87,18,798.56	5,16,84,308.03	
5	Vehicles	1,59,37,936.90	-	7,80,812.00	-	1,67,18,748.90	1,08,07,475.61	17,75,658.33	-	1,23,83,133.94	43,35,614.96	53,30,461.29	
6	Furniture & Fixtures	10,48,401.00	-	14,251.00	-	10,62,651.00	5,30,728.30	85,394.43	-	6,16,122.73	4,46,528.27	5,17,672.70	
7	Cycle	3,565.00	-	-	-	3,565.00	3,395.26	-	-	3,395.26	169.74	169.74	
8	Office Equipments	9,75,248.50	-	-	-	9,75,248.50	9,68,532.61	2,893.94	-	9,71,426.55	3,821.95	6,715.89	
9	Computers	16,12,339.00	-	1,31,260.00	-	17,43,599.00	12,50,314.81	2,28,564.20	-	14,78,879.01	2,64,719.99	3,62,024.19	
	TOTAL	24,21,52,221.68	-	2,65,06,552.33	-	26,86,58,774.01	7,77,52,229.56	93,94,310.88	-	8,70,86,540.44	18,15,72,239.57	16,43,99,552.12	
	Previous Year	22,05,21,618.22	-	2,16,30,703.46	-	24,21,52,321.68	7,09,54,920.27	69,97,403.29	-	7,77,52,329.56	-	-	
	Capital Work in Progress										10,36,963.00	6,46,380.35	
							TOTAL:-				18,26,09,198.57	16,50,46,372.47	

Note:-

Estate includes land acquired by Government of Assam under Assam Fixation of Ceiling of Land Holding Act. 1956.

MANABARRIE TEA COMPANY LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE NO. 9

Non Current Investments

Non-Trade Investments Unquoted

(Valued at cost unless stated otherwise)

	Face Value	As at 31st March, 2017		As at 31st March, 2016	
		No. of Shares	Amount	No. of Shares	Amount
i) Investment in Equity Shares (Unquoted)					
Jalpaiguri Club Ltd.	10/-	20	200.00	20	200.00
Associates					
Winsome Tea Plantations Pvt. Ltd.	1,000/-	50	25,125.00	50	25,125.00
S. J. Overseas Pvt. Ltd.	10/-	1,500	15,000.00	1,500	15,000.00
Whispering Resorts Pvt. Ltd.	100/-	2,500	11,01,138.00	2,500	11,01,138.00
			11,41,463.00		11,41,463.00
ii) National Saving Certificate			2,000.00		2,000.00
(Pledge with Govt. Authorities)					
Aggregate value of Unquoted investments			11,43,463.00		11,43,463.00
Less - Provision for Diminution in value of Investments			40,125.00		40,125.00
Total			11,03,338.00		11,03,338.00

As at
31st March, 2017 As at
31st March, 2016

NOTE NO. 10

Long Term Loans and Advances

Security Deposits

(including Rs. 1,30,911/- Considered Doubtful)

Deposit with NABARD in Investment Deposit

Total

68,22,662.36	69,77,487.36
1,15,000.00	1,15,000.00
69,37,662.36	70,92,487.36

NOTE NO. 11

Inventories

Finished Goods

Stores & Spares

Stores In Transit

Total

1,15,02,682.30	1,36,73,366.86
81,73,424.50	91,51,238.84
-	9,120.00
1,96,76,106.80	2,28,33,725.70

NOTE NO. 12

Trade Receivables

(Unsecured)

Over Six Months

Considered Doubtful

Total

Others

Total

3,694.00	3,658.00
3,694.00	3,658.00
16,01,562.96	52,83,855.21
16,05,256.96	52,87,513.21

MANABARRIE TEA COMPANY LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	As at <u>31st March, 2017</u>	As at <u>31st March, 2016</u>
NOTE NO. 13		
<u>Cash and Cash Equivalents</u>		
Balances With Bank	3,42,388.37	4,52,470.52
Cash in Hand	12,70,139.62	2,00,660.30
Total	<u>16,12,527.99</u>	<u>6,53,130.82</u>
NOTE NO. 14		
<u>Short Term Loans & Advances</u>		
Advance Payment of Income Tax & Agriculture Income Tax	11,98,955.00	11,98,955.00
Sale Tax / VAT Payments / Service Tax	11,218.60	8,950.60
Advances recoverable in cash or in kind or for value to be received, pending adjustments (including Rs.13,76,211/- Considered Doubtful)	53,66,085.49	33,84,931.71
Total	<u>65,76,259.09</u>	<u>45,92,837.31</u>
NOTE NO. 15		
<u>Revenue from Operations</u>		
<u>Sale of Products</u>		
Finished Goods	21,74,66,929.08	20,17,76,379.56
	<u>21,74,66,929.08</u>	<u>20,17,76,379.56</u>
The Company's revenue from operations is from sale of black tea.		
NOTE NO. 16		
<u>Other Income</u>		
Interest Income	-	498.00
Subsidies Received	-	20,66,880.00
Other Non-Operating Income	1,97,017.68	7,60,222.85
	<u>1,97,017.68</u>	<u>28,27,600.85</u>
NOTE NO. 17		
<u>Cost of Materials Consumed</u>		
Purchase of Green Leaf	5,27,58,466.50	6,25,76,276.50
NOTE NO. 18		
<u>Changes in Inventories of Finished Goods</u>		
<u>Inventories at Close</u>		
Finished Goods	1,15,02,682.30	1,36,73,366.86
<u>Inventories at Commencement</u>		
Finished Goods	1,36,73,366.86	71,90,484.88
(Increase)/Decrease in Inventories	<u>21,70,684.56</u>	<u>(64,82,881.98)</u>
NOTE NO. 19		
<u>Employee benefit expense</u>		
Salaries, Wages , Bonus & Gratuity Expenses	7,07,71,917.64	7,18,73,677.96
Contribution to Provident Fund and Other Funds	58,80,427.94	53,87,024.00
Staff Welfare Expenses	91,18,507.24	69,04,937.84
	<u>8,57,70,852.82</u>	<u>8,41,65,639.80</u>

MANABARRIE TEA COMPANY LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

19.1 As per Accounting Standard 15 " Employee Benefits " the disclosures as defined in the Accounting Standard are given below :-

Defined Contribution Plans

	For the Year Ended 31st March, 2017	For the Year Ended 31st March, 2016
Employer's contribution to PF	51,19,340.62	47,62,000.61
Employer's contribution to Pension Scheme	94,794.00	80,550.00

Defined Benefit Plan

The employee's gratuity fund scheme managed by Life Insurance Corporation of India is a defined benefit plan.

NOTE NO. 20

Finance Costs

	2016-17	2015-16
To Bank	20,12,459.00	21,71,081.00
To Others	1,81,04,050.83	1,40,79,154.00
	<u>2,01,16,509.83</u>	<u>1,62,50,235.00</u>

NOTE NO. 21

Other Expenses

Manufacturing Expenses

	2016-17	2015-16
Consumption of Stores & Spares	88,40,622.01	88,73,933.95
Power & Fuel	2,46,65,773.31	2,40,98,758.03
Repairs to Building	12,09,744.59	11,96,415.44
Repairs to Machinery	33,03,934.50	25,44,501.63
Carriage Inward	19,34,929.37	13,36,570.41
Cess on Green Leaf & Black Tea	21,74,452.30	18,69,142.20

Selling & Distribution Expenses

Selling Commission & Brokerage	24,94,909.92	41,34,855.92
Freight & Other Selling Expenses	37,29,085.23	72,37,685.52

Establishment Expenses

Professional Fees	7,27,308.00	4,97,108.00
Insurance Charges	6,81,144.79	7,58,142.99
Rates & Taxes	6,24,252.47	7,05,315.00
Rent	7,41,000.00	10,06,472.00
Other Repairs	1,24,063.42	1,78,500.74
Vehicle Running & Maintenance Charges	18,68,064.18	15,10,078.32
Travelling Expenses	39,20,348.98	35,58,215.58
Miscellaneous Expenses	44,19,682.30	34,39,726.74
Payment to Auditor	1,15,000.00	1,50,277.00
	<u>6,15,74,315.37</u>	<u>6,30,95,699.47</u>

21.1 Payment to Auditor

As Auditors

Statutory Audit Fees	86,250.00	85,875.00
Tax Audit Fees	28,750.00	28,625.00
In Other Capacity		
Other Services	-	35,777.00
	<u>1,15,000.00</u>	<u>1,50,277.00</u>

21.2 Expenditure in Foreign Currency

i) Traveling Expenses	13,24,842.16	8,45,018.00
ii) There was no income in Foreign Currency.		

21.3 Expenses are included in other Heads of Accounts

Stores & Spares	26,95,663.51	22,75,732.22
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MANABARRIE TEA COMPANY LIMITED

NOTE NO. 22

22.1. MAJOR ACCOUNTING POLICIES :

- a) I) The Company prepares its accounts on accrual basis, except otherwise stated, in accordance with the normally accepted accounting principles.
- II) Insurance and other Claims, Income on Investments and subsidies receivable from Tea Board are accounted for on acceptance/actual receipt basis.
- III) Income and Expenditure are recognized on accrual basis.
- b) **Fixed Assets :**
All fixed assets are stated at cost less depreciation so far provided. Cost comprises purchase price and attributable costs.
- c) **Depreciation :**
- I) Depreciation is provided for on straight line method on useful life of the assets as prescribed in Schedule – II the Companies Act, 2013. On assets added during the year, depreciation is provided on Pro-rata basis from the date of addition. In case of deduction of assets, depreciation is provided up to the date of sale.
- d) **Investments :**
Investments are stated at cost. Provision for diminution in value of investments is made when in the opinion of the management the fall in value of investments is permanent.
- e) **Inventories :**
- I) Stores and spare parts and packing materials are valued at weighted average cost.
- II) Stores in transit are valued at actual cost up to the date of Balance Sheet.
- III) Finished Goods are valued at cost or market rate, whichever is lower.
- f) **Cess Duty :**
Cess on Finished Goods stock lying at the garden is accounted for at the point of manufacture of goods.
- g) **Retirement Benefit :**
The Company has created a gratuity fund, which has taken a Group Gratuity Insurance Policy with Life Insurance Corporation of India for future payment of Gratuity to the employees. The Company has paid premium of Rs. 5,00,000/- against the demand of Rs. 71,60,759/- to Life Insurance Corporation of India. (See Note No. 22.3(c).
- h) **Foreign Currency Transaction :**
Foreign currency transactions are recorded on the basis of exchange rate prevailing on the date of their occurrence.
- i) **Miscellaneous Expenditure :**
Miscellaneous Expenditure to the extent not written off is amortized over a period of ten years.
- J) **Contingent Liability :**
Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty are treated as contingent and disclosed by way of notes to the accounts.

MANABARRIE TEA COMPANY LIMITED

NOTE NO. - 22

	As at 31.03.2017 <u>Amount (Rs.)</u>	As at 31.03.2016 <u>Amount (Rs.)</u>
22.2 Contingent Liabilities (Not Provided for)		
In respect of Income tax Demand under appeal	205,660.00	205,660.00
22.3 No Provision has been made for		
a) Doubtful Advances	13,76,211.00	13,76,211.00
b) Doubtful Deposits	1,30,911.36	1,30,911.36
c) Premium Payable to Life Insurance Corporation of India on A/c. of Group Gratuity	66,60,759.00	-
d) Doubtful Debtors	3,694.00	3,658.00
22.4 Estimated amount of contracts remaining to be executed on capital account and not Provided (Net of advances)	17,22,731.00	6,00,000.00

22.5 Details of Specified Bank Notes (SBN) held and transcted during the period from 8th November, 2016 to 30th December, 2016 as provided in the Table below :-

	<u>SBNs</u>	<u>Other denomination notes</u>	<u>Total</u>
Closing cash in hand as on 08.11.2016	15,000.00	2,48,457.00	2,63,457.00
(+) Permitted receipts	NIL	98,25,197.00	98,25,197.00
(-) Permitted payments	NIL	80,69,500.00	80,69,500.00
(-) Amount deposited in Banks	15,000.00	-	15,000.00
Closing cash in hand as on 30.12.2016	NIL	20,04,154.00	20,04,154.00

22.6 Related Party Disclosures :

a) <u>Name of Related Parties :</u>	
Key Management Personnel	: Mr. Sanjay Agarwal (Managing Director) Mr. Kurush Nauzer Nowrojee
Relatives of Key Management Personnel	: Mr. Mukul Agarwal
Associates	: Swift Builders Ltd. Winsome Tea Plantations Pvt. Ltd. Whispering Resorts Pvt. Ltd. Crickxon Trade & Exports Pvt. Ltd. Winsome Holdings & Investments Ltd.

b) **The following Transactions were carried our with the related parties in the financial year 2016-2017**

	<u>Key Management Personnel</u>	<u>Relatives of Key Management Personnel</u>	<u>Associates</u>	<u>Total</u>
Salaries :	38,83,000.00	-	-	38,83,000.00
	(54,92,000.00)	-	-	(54,92,000.00)
Service Charges Paid :	-	-	90,000.00	90,000.00
	-	-	(1,20,000.00)	(1,20,000.00)
Rent Paid :	-	-	2,10,000.00	2,10,000.00
	-	-	(2,29,472.00)	(2,29,472.00)
Electricity Paid :	-	-	2,22,170.00	2,22,170.00
	-	-	(2,95,296.00)	(2,95,296.00)
Interest Paid :	-	-	17,76,548.00	17,76,548.00
	-	-	(36,45,853.00)	(36,45,853.00)
Hire Charges Received :	-	-	1,56,000.00	1,56,000.00
	-	-	(1,56,000.00)	(1,56,000.00)

MANABARRIE TEA COMPANY LIMITED

NOTE NO. - 22

c) The Following balances were due from/to the related parties as on 31.03.2017

Investments	:	-	-	11,26,263.00	11,26,263.00
		-	-	(11,26,263.00)	(11,26,263.00)
Payable	:	-	-	1,95,000.00	1,95,000.00
		-	-	(2,66,200.00)	(2,66,200.00)
Security Deposit	:	-	-	50,00,000.00	50,00,000.00
		-	-	(50,00,000.00)	(50,00,000.00)
Receivable	:	-	-	41,602.20	41,602.20
		-	-	(1,30,428.84)	(1,30,428.84)
Loans Taken	:	-	-	64,76,083.00	64,76,083.00
		-	-	(3,41,50,814.00)	(3,41,50,814.00)

22.7 The company's operation predominantly is manufacture of Black tea and this is a single segment company as envisaged in As-17 issued by the ICAI.

As at	As at
31.03.2017	31.03.2016
<u>Amount (Rs.)</u>	<u>Amount (Rs.)</u>

22.8 Earning per share (EPS)

In terms of Accounting standards (AS-20) Issued by the Institute of Chartered Accountants of India, the calculation of EPS is given below :

Profit /(Loss) as per the accounts.	(1,40,61,193.20)	(2,18,98,397.67)
Weighted average no of Equity shares outstanding during the year	4,80,000	4,80,000
Basic and Diluted EPS (Rs.)	(29.29)	(45.62)

22.9 a) In accordance with the requirement under the Accounting Standard (AS-22) relating to the deferred tax , the Deferred Tax assets (net) at the year end works out to be in the region of Rs 91,24,571/- (as on 01.04.2016 deferred tax Asset Rs. 70,27,412/-). As a measure of prudence, and as recommended under AS-22 the same has not been currently recognized in the account.

	<u>As at 31.03.2017</u>
	<u>Deferred Tax</u>
	<u>Liability (Rs.)</u>
	<u>Deferred Tax</u>
	<u>Asset (Rs.)</u>

b) Composition of Deferred Tax Assets (net)		
Timing difference on a/c of net block as per Law & Books	-	24,99,174.00
Unabsorbed Business Loss & Unabsorbed Depreciation	-	2,60,63,411.41
Others	-	18,52,652.30
	-	<u>3,04,15,237.71</u>
Net Deferred Tax Assets:	-	<u>3,04,15,237.71</u>
Tax thereon :	-	<u>91,24,571.00</u>

MANABARRIE TEA COMPANY LIMITED

NOTE NO. - 22

- 22.10 In the absence of relative confirmation, Advances and Deposits and Sundry Creditors are taken as certified by the Management.
- 22.11 In the opinion of the Board of Directors, The current Assets Loans and Advances and Deposits are approximately of the value stated in the accounts, if realized in ordinary course of business, unless otherwise stated. The provision for all known liabilities is adequate.
- 22.12 Corresponding Comparative Figures of the Previous Year Have been Regrouped and / or rearranged, wherever Necessary.

Signature to Notes 1 to 22

6A, Clive Row
2nd Floor (Front Gate)
Kolkata - 700 001

Dated : 30th May, 2017

For **B. Kumar & Co.**
Chartered Accountants
Firm Registration No. 306098E
(**B. K. Poddar**)
Partner
Membership No. 010211

Sanjay Agarwal
Managing Director

Nital Charan Biswas
Director

Sravan Kumar Kothari
Chief Financial Officer

Punam Kumari Sharma
Company Secretary

MANABARRIE TEA COMPANY LIMITED

CASH FLOW STATEMENTS

	For the year 2016-2017	For the year 2015-16
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and adjustment for previous year	-1,40,61,193.00	-2,18,98,398.00
Adjustment for		
Depreciation	93,34,311.00	68,97,409.00
Interest Paid	2,01,16,509.83	1,62,50,235.00
Interest Received	-	-498.00
(Profit)/Loss on sale of Vehicle	-	-
Operating Profit before working capital change	1,53,89,627.83	12,48,748.00
Adjustment for		
Inventories	31,57,619.00	-85,75,472.00
Sundry Debtors	36,82,256.00	-52,13,653.00
Loans & Advances	-18,28,597.00	-50,75,534.00
Current Liabilities	11,12,230.00	99,69,570.00
Cash generated from operation	2,15,13,135.83	-76,46,341.00
Interest Paid	-2,01,16,509.83	-1,62,50,235.00
Direct Taxes Paid	-	-10,405.00
Cash flow before extra ordinary items	13,96,626.00	-2,39,06,981.00
Net cash flow from operating Activities	13,96,626.00	-2,39,06,981.00
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	-2,68,97,135.00	-1,87,89,720.00
Interest Received	-	498.00
Sale of Fixed Assets	-	-
Sale of Investments	-	-
Net cash used in investing activities	-2,68,97,135.00	-1,87,89,222.00
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceed from short term borrowing	1,07,37,904.00	-46,25,705.00
Proceed from Long term borrowing	1,57,22,002.00	4,44,98,394.00
Proceed from Issue of Preference Share Capital	-	-
Net Cash used in Financing Activities	2,64,59,906.00	3,98,72,689.00

MANABARRIE TEA COMPANY LIMITED

D. Net Increase / (decrease) in cash & cash equivalents

Cash & Cash equivalent as on 01.04.2016

Cash & Cash equivalent as on 31.03.2017

For the year 2016-2017	For the year 2015-16
9,59,397.00	-28,03,514.00
6,53,131.00	34,56,645.00
16,12,528.00	6,53,131.00

In terms of our report of even date attached

6A, Clive Row
2nd Floor (Front Gate)
Kolkata - 700 001

Dated : 30th May, 2017

For **B. Kumar & Co.**
Chartered Accountants
Firm Registration No. 306098E
(B. K. Poddar)
Partner
Membership No. 010211

Sanjay Agarwal
Managing Director

Nital Charan Biswas
Director

Sravan Kumar Kothari
Chief Financial Officer

Punam Kumari Sharma
Company Secretary